

BETH C. DRAIN, CA CSR NO. 7152

BEFORE THE
FINANCE SUBCOMMITTEE OF THE
INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
TO THE
CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE
ORGANIZED PURSUANT TO THE
CALIFORNIA STEM CELL RESEARCH AND CURES ACT
REGULAR MEETING

LOCATION: VIA ZOOM

DATE: JUNE 12, 2020
1 P.M.

REPORTER: BETH C. DRAIN, CA CSR
CSR. NO. 7152

FILE NO.: 2020-13

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I N D E X

ITEM DESCRIPTION	PAGE NO.
OPEN SESSION:	
1. CALL TO ORDER.	3
2. ROLL CALL.	3
ACTION ITEMS:	
3. CONSIDERATION OF CIRM BUDGET FOR FISCAL YEAR 2020-2021.	3
4. PROPOSED ADDITIONAL AGENDA ITEM: DISCUSSION OF PERSONNEL. (GOVERNMENT CODE SECTION 11126(A); HEALTH AND SAFETY CODE SECTION 125290.30(F)(3)(D).)	NONE
5. PUBLIC COMMENT.	27
6. ADJOURNMENT.	35

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JUNE 12, 2020; 1 P.M.

CHAIRMAN JUELSGAARD: I WANT TO CALL THE MEETING OF THE CIRM FINANCE SUBCOMMITTEE TO ORDER. MARIA, WILL YOU CALL THE ROLL OF THE MEMBERSHIP PLEASE.

MS. BONNEVILLE: STEVE JUELSGAARD.

CHAIRMAN JUELSGAARD: YES.

MS. BONNEVILLE: JEFF SHEEHY.

MR. SHEEHY: YES.

MS. BONNEVILLE: OS STEWARD.

DR. STEWARD: YES.

MS. BONNEVILLE: SUZANNE SANDMEYER. JONATHAN THOMAS.

CHAIRMAN THOMAS: HERE.

MS. BONNEVILLE: ART TORRES. HE'S COMING ON. KRISTINA VUORI.

DR. VUORI: HERE.

MS. BONNEVILLE: THANK YOU, STEVE.

CHAIRMAN JUELSGAARD: THANK YOU, MARIA.

SO TODAY WE'RE GOING TO REVIEW THE PROPOSED BUDGET FOR THE COMING FISCAL YEAR. AS I'M SURE YOU'VE ALREADY HAD A CHANCE TO SEE IT, SOME OF YOU HAVE GONE THROUGH THE PRESENTATIONS, THIS YEAR'S BUDGET IS SOMEWHAT DIFFERENT THAN THE PREVIOUS YEARS

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1 BECAUSE IT CONTEMPLATES AN END OF LIFE, IF YOU WILL,
2 TO CIRM, AND SO IT'S DESIGNED TO ADDRESS THAT.

3 THAT DOESN'T MEAN THAT THAT'S NECESSARILY
4 WHAT WE EXPECT TO HAPPEN OR WHAT WILL HAPPEN, BUT IT
5 IS SOMETHING THAT WE NEED TO BE PREPARED FOR. IF WE
6 FIND THAT THE PROPOSITION COMING THIS FALL, ASSUMING
7 IT MAKES THE BALLOT IN JUNE, WHICH WE DO ASSUME, IF
8 IT DOES PASS THIS FALL, THEN WE'RE GOING TO HAVE TO
9 UPDATE THE BUDGET WITH A NEW PROPOSAL REGARDING
10 CONTINUED EXISTENCE OF CIRM, BUT THERE'S A LOT OF
11 UNCERTAINTY AS TO WHAT MIGHT HAPPEN BETWEEN NOW AND
12 THEN, AT LEAST FROM MY POINT OF VIEW, GIVEN THE
13 UNCERTAINTY OF THE PROPOSITION. SO EXACTLY WHERE
14 WE'LL WIND UP WITH RESPECT TO HEAD COUNT, ET CETERA,
15 COME LATER THIS YEAR MAY BE A VARIABLE THAT IS JUST
16 DIFFICULT TO TRY AND PUT INTO A BUDGET THAT WOULD
17 CONTINUE THE EXISTENCE OF CIRM AT THIS POINT.

18 SO THE ONE THING THAT WE CAN PERHAPS MORE
19 CLEARLY PLAN FOR IS THE ONE IN WHICH CIRM NO LONGER
20 HAS BUDGETARY MONEY TO CONTINUE TO FUND PROJECTS, AT
21 LEAST ANYTHING SUBSTANTIAL. SO WITH THAT
22 INTRODUCTION, I WOULD LIKE TO FIRST HAVE MARIA
23 MILLAN PRESENT THE TRANSITION PLAN THAT'S BEEN
24 DEVELOPED FOR THE MANAGEMENT TEAM, THE STAFF, AT
25 CIRM. AND THEN ONCE WE HAVE THAT UNDER OUR BELT, WE

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1 COULD ANSWER ANY QUESTIONS OR WHATEVER, WE CAN THEN
2 LAUNCH INTO CHILA AND THE BUDGET PRESENTATION
3 ITSELF.

4 MARIA, PLEASE.

5 DR. MILLAN: THANK YOU. IF YOU HEAR SOME
6 BEEPING, I MAY HAVE TO TURN THIS OFF, BUT I'M GOING
7 TO GO AHEAD AND PROCEED WITH THE BEEPING? CAN
8 EVERYBODY HEAR ME?

9 MS. BONNEVILLE: YES.

10 DR. MILLAN: THANK YOU FOR THIS
11 OPPORTUNITY TO PROVIDE AN UPDATE ON THE TRANSITION
12 PLAN AND BUDGET. AND I WILL PROCEED THROUGH THIS AT
13 A RATHER FAST PACE, BUT PLEASE FEEL FREE TO ASK ANY
14 QUESTIONS ALONG THE WAY. THIS IS INTENDED TO REALLY
15 SET THE CONTEXT AND THE BACKGROUND THAT SUPPORT THE
16 20/21 BUDGET THAT YOU'LL BE HEARING -- THE PROPOSAL
17 THAT YOU'LL BE HEARING ABOUT FROM CHILA SHORTLY.

18 SO AS YOU WILL RECALL, THIS BOARD HEARD A
19 TRANSITION PLAN TO THE BOARD ON NOVEMBER 20, 2017,
20 WHERE THE OPERATING ASSUMPTIONS WERE THAT WE WOULD
21 CONTINUE TO EXECUTE VERY AGGRESSIVELY ON A FIVE-YEAR
22 STRATEGIC PLAN WHICH WE HAD JUST LAUNCHED AND TO
23 MAINTAIN A CRITICAL LEVEL OF PERSONNEL IN ORDER TO
24 PROVIDE FOR OPERATIONAL EXCELLENCE AND THE INCREASED
25 PROBABILITY OF BEING ABLE TO ACCOMPLISH THOSE

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1 STRATEGIC GOALS.

2 THE WHOLE PREMISE BEHIND THIS IS CIRM HAS
3 CREATED A VALUE PROPOSITION. IT IS ESSENTIAL TO
4 DEPLOY THAT IN ORDER TO ACCOMPLISH THE MISSION AND
5 THE GOALS OF PROPOSITION 71.

6 TODAY I'D LIKE TO GIVE A TRANSITION PLAN
7 UPDATE. I'LL BE GIVING A MORE EVEN UP-TO-DATE
8 ACCOUNTING FOR WHERE WE ARE ON OUR 2016-2020
9 STRATEGIC PLAN. SUFFICE IT TO SAY THAT WE'RE 90
10 PERCENT OR MORE OF THE WAY THERE, AND IN MOST CASES
11 WE WILL EITHER REACH THE STRATEGIC GOALS OF BUILDING
12 THE PORTFOLIO, ACCELERATING AND ESSENTIALLY CHANGING
13 THE PARADIGM OF HOW WE ARE ABLE TO GET THESE
14 PROGRAMS THROUGH QUICKER, AS WELL AS CHART NEW
15 REGULATORY PATHWAYS ALONG WITH THE FDA TO DO SO, AS
16 WELL AS WE'VE SEEN VALIDATION IN TERMS OF OUR
17 PROGRAMS MATURING TO THE STAGE OF BRINGING VALUE SO
18 THAT THEY BROUGHT IN OVER ALMOST \$8 BILLION IN
19 INDUSTRY INVESTMENT, VALIDATING THE TECHNOLOGY THAT
20 CIRM HAS BROUGHT IN MANY CASES FROM THE EARLY STAGES
21 THROUGH.

22 WHERE WE ARE TODAY IS THE CIRM TEAM IS
23 CONTINUING TO EXECUTE VERY AGGRESSIVELY ON THIS PLAN
24 AND, IN ADDITION, IS MANAGING THE COVID CRISIS THAT
25 WE'RE IN THE MIDST OF. CONTINUING, THAT HASN'T

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1 SLOWED DOWN OUR ABILITY TO ACHIEVE OUR STRATEGIC
2 PLAN BECAUSE THERE HAVE BEEN MANY PROVISIONS PUT IN
3 PLACE, INCLUDING A WAY THAT WE WORK WITH OUR
4 GRANTEES VERY ACTIVELY TO MAKE SURE WHERE POSSIBLE
5 THEIR RESEARCH CAN CONTINUE WHILE STILL FISCALLY
6 RESPONSIBLE IN TERMS OF WHAT THAT MEANS.

7 IN ADDITION, WE FUNDED 12 NEW PROJECTS IN
8 2020 AND ARE CONTINUALLY MANAGING 174 AWARDS. JUST
9 BY WAY OF BACKGROUND BECAUSE I WAS ASKED THIS, CIRM
10 HAS AWARDED 1,058 PROGRAMS TOTALING ALMOST 2.7
11 BILLION. OF THAT TOTAL WHAT'S STILL UNDER ACTIVE
12 MANAGEMENT IS 854 MILLION, WHICH IS A VALUE OF 174
13 AWARDS THUS FAR.

14 AS YOU KNOW, WE HAVE A SPECIAL COVID
15 FUNDING OPPORTUNITY THAT WAS LAUNCHED AS A RECURRING
16 TWO-WEEK REVIEW CYCLE. SO THE ORGANIZATION, THE
17 REVIEW TEAM, AND ALL THE SUPPORTING DEPARTMENTS HAVE
18 BEEN SUPPORTING THIS VERY AGGRESSIVE TIMELINE. THAT
19 PROGRAM ANNOUNCEMENT HAS BROUGHT IN 70 APPLICATIONS
20 SINCE WE LAUNCHED IT. AND SO FAR, AS OF TODAY WITH
21 THE APPLICATION REVIEW SUBCOMMITTEE APPROVAL OF TWO
22 ADDITIONAL AWARDS, WE HAVE 11 AWARDS UNDER THAT
23 COVID PROGRAM ANNOUNCEMENT.

24 WE ALSO HAVE A SICKLE CELL MOU JOINT
25 FUNDING PROGRAM WITH THE NHLBI TO ACCELERATE CURES

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1 USING CELL/GENE THERAPY FOR SICKLE CELL. AND WE
2 CURRENTLY HAVE FIVE CLINICAL PROGRAMS, ONE OF WHICH
3 IS CO-FUNDED WITH NHLBI. THREE ADDITIONAL PROMISING
4 CELL/GENE THERAPY PROGRAMS ARE UNDER WAY IN THE
5 PIPELINE EXPECTED IN Q 3, Q 4. THE TEAM IS ACTIVELY
6 WORKING WITH THE APPLICANTS ON THESE, AND THESE
7 WOULD BE COMING IN FOR A JOINT NHLBI/CIRM CLINICAL
8 TRIAL.

9 THE STRATEGIC PLANNING PROCESS IS IN
10 PLACE. WE JUST PUT A FRAMEWORK AROUND IT SO THAT
11 THE BOARD CAN ENGAGE AND DETERMINE WHERE TO GO WITH
12 ELEMENTS THAT COULD POTENTIALLY BE SOMETHING THAT'S
13 BROUGHT FORWARD SHOULD THE INITIATIVE GO THROUGH TO
14 THE NEW ADMINISTRATION AND BOARD.

15 SO WITH THOSE ACTIVITIES, THIS IS WHERE WE
16 ARE TODAY IN TERMS OF WHAT BUDGET WE HAVE AVAILABLE
17 TO US. WE HAVE \$47.1 MILLION IN AVAILABLE -- I
18 WOULDN'T SAY UNALLOCATED -- BUDGET, \$47.1 MILLION.
19 SOME OF THEM ARE ALLOCATED FOR CERTAIN PROGRAMS SUCH
20 AS SICKLE CELL AND COVID, BUT THERE ARE ALSO
21 UNALLOCATED FUNDS IN THE FORM OF RECOVERED FUNDS,
22 SAYS HERE RETURNED FUNDS. IN THIS CASE THIS IS A
23 RESULT OF A LOAN PAYBACK. AND SO THAT IS SOMETHING
24 THAT IS NOW GOING TO BE GOING OUT IN TERMS OF THE
25 PROCESS REVIEW, FUNDING, AND THAT LAUNCH IN

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1 MANAGEMENT THAT IS EXPECTED TO OCCUR BETWEEN NOW AND
2 THE END OF THE YEAR.

3 THE TOTAL AVAILABLE -- BY THE WAY, THE
4 RESEARCH BUDGET IS NOT THE TOPIC OF TODAY'S
5 CONVERSATION, BUT IT WILL BE BROUGHT TO THE ICOC
6 MEETING ON JUNE 26TH TO DETERMINE WHAT THE BOARD
7 WOULD LIKE TO DO WITH THE CURRENT UNALLOCATED
8 BUDGET, RESEARCH BUDGET.

9 IN TERMS OF TOTAL AVAILABLE BUDGET FOR
10 OPERATIONS, I WANT TO JUST SET TERMINOLOGY IN PLACE.
11 IN THE PAST WE HAVE REFERRED TO THINGS AS LITTLE
12 BUCKET/BIG BUCKET. BUT FOR THE PURPOSES OF
13 BUDGETING NOW, WHAT WE HAVE DONE IS CALL IT
14 OPERATIONAL BUDGET. LITTLE BUCKET WAS
15 ADMINISTRATIVE BUDGET, AND THEN LEGAL AND THINGS
16 UNDER LEGAL, SUCH AS GRANTS MANAGEMENT, WERE
17 PREVIOUSLY DERIVED FROM THE BIG BUCKET. THEY ARE
18 DERIVED FROM THE BIG BUCKET, BUT IT WAS PREVIOUSLY
19 PRESENTED THAT WAY.

20 FOR SAKE OF CLARITY, THE TOTAL OPERATIONAL
21 BUDGET, WHICH COMBINES THE LITTLE BUCKET PLUS
22 WHATEVER OTHER PERSONNEL COSTS COME OUT OF THE BIG
23 BUCKET ARE NOW REPRESENTED IN THIS AVAILABLE \$28.9
24 MILLION THAT IS AVAILABLE -- THAT IS REMAINING UNDER
25 THE PROP 71 BOND ALLOCATION. AND I WON'T GO

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1 THROUGH. THESE ARE JUST GENERAL CATEGORIES. CHILA
2 WILL GO THROUGH IT IN A MUCH MORE DETAILED FASHION,
3 OF COURSE, BECAUSE THOSE ARE SUBJECT TO BOARD
4 APPROVAL WITH EACH BUDGET CYCLE.

5 SO THIS IS THE TRANSITION PLAN BUDGET.
6 AND I PUT ON THIS CHART IN BLUE ON THE TOP OF THE
7 THREE ROWS WHAT WAS PRESENTED IN NOVEMBER 2017 AS
8 PROJECTED, LITTLE BUCKET AT THE TOP ITALICIZED
9 BECAUSE IT'S BEEN CONVERTED BY OUR FINANCE TEAM TO
10 WHAT THAT MEANT IN TERMS OF OPERATIONAL BUDGET,
11 WHICH IS IN THE SECOND ROW OF NUMBERS. AND SO THOSE
12 WERE THE PROJECTIONS GOING FROM THE TRANSITION PLAN
13 PRESENTATION IN 2017 PROJECTED OUT TO 2023.

14 AS YOU RECALL, WE BUDGETED ALL THE WAY TO
15 2023 IN ORDER TO MANAGE ALL THE AWARDS TO THEIR
16 COMPLETION THAT WOULD BE AWARDED THROUGH 2020.

17 THE VERY BOTTOM ROW IS THE UPDATED
18 TRANSITION PLAN OPERATING BUDGET. 17/18, 18/19 ARE
19 BOTH ACTUAL NUMBERS, AND 19/20 IS THE PROJECTED,
20 WHAT WE PROJECT WE WILL END THE YEAR WITH. IT'S
21 PRETTY CLOSE. SO AS YOU CAN SEE, THE BUDGETED
22 AMOUNT IN THE PROJECTION WAS MORE THAN THAT IN THE
23 ACTUAL EXPENDITURES. THAT HAS ALLOWED US TO
24 MAINTAIN A CERTAIN LEVEL OF PERSONNEL. THAT HAS
25 ALLOWED US TO OPERATIONALIZE WORK OPERATIONS AND THE

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1 ACCOMPLISHMENTS THAT I HAVE REPORTED ON PREVIOUSLY,
2 WILL REPORT ON MORE EXTENSIVELY AT THE BOARD
3 MEETING.

4 THAT KEYS US UP FOR WHAT WILL BE PRESENTED
5 TODAY BY CHILA, THE 12.3 MILLION, WHICH INCLUDES
6 SOME ONE-TIME WIND-DOWN COSTS, AND SHE'LL SPEAK TO
7 THAT IN MORE DETAIL. BUT THEN YOU WILL SEE THAT
8 THERE'S A SIGNIFICANT DROP IN BUDGET. AND WHAT THAT
9 REPRESENTS IS, AS YOU WILL SEE FROM CHILA'S
10 PRESENTATION, THE 20/21 BUDGET IS DIVIDED INTO
11 SIX-MONTH INTERVALS THAT MIRROR THE PLANNED
12 WIND-DOWN.

13 SO FROM JUNE TO DECEMBER OF 2020, THERE
14 WILL BE A LARGER BUDGET THAN THERE IS FROM JANUARY
15 2021 TO THE END OF JUNE 2021, WHICH IS THE SECOND
16 HALF OF THAT FISCAL YEAR BUDGET. AND THAT WINDS
17 DOWN IN LARGE PART -- THAT REDUCTION IN BUDGET IN
18 LARGE PART IS DUE TO APPROXIMATELY 42 PERCENT
19 REDUCTION IN THE CIRM TEAM. AND THEN AFTER THE JUNE
20 2021 PERIOD, ASSUMING A WIND-DOWN, THERE WILL BE AN
21 ADDITIONAL 47-PERCENT REDUCTION IN THE REMAINDER OF
22 THAT TEAM. AND THAT TEAM, WHICH WE CALL THE
23 CLOSEOUT TEAM, WILL CONTINUE THROUGH THE SUBSEQUENT
24 YEARS, AND OUR BUDGET IS AS SHOWN IN THIS CHART.

25 I'M GOING TO GO AHEAD TO THE NEXT SLIDE

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1 AND THEN TAKE QUESTIONS. WHAT ARE THE ACTIVITIES
2 THAT WILL OCCUR DURING THIS WIND-DOWN PROCESS? SO
3 AS YOU WILL RECALL, THERE IS A SHARP REDUCTION IN
4 PERSONNEL. WE ARE PROPOSING TO THE BOARD THAT THAT
5 SHARP REDUCTION OCCUR AT THE END OF DECEMBER. SO BY
6 THE BEGINNING OF 2021, THERE WILL BE PERSONNEL
7 REPRESENTING APPROXIMATELY A REDUCTION OF 42 PERCENT
8 OF THE CURRENT STAFFING. AND THOSE REMAINING
9 PERSONNEL WILL BE ENGAGED IN THE CATEGORIES OF
10 ACTIVITIES. IT WILL BE AN AGGRESSIVE TIMELINE, BUT
11 THE CIRM TEAM WILL NEED TO COME UP WITH A SOLID
12 OPERATIONS PLAN THAT THE CLOSEOUT TEAM CAN EXECUTE
13 ON, WHICH INCLUDES THE TRANSFER OF ALL PROJECTS,
14 HANDLING OF ALL OF WRAPPING UP CONTRACTS THAT NEED
15 HANDING OFF, OF CONTRACTS THAT NEED TO CONTINUE,
16 COMING UP IN CONJUNCTION AND PARTNERSHIP WITH THE
17 STATE WHAT THAT HAND-OFF TO THE STATE WOULD BE OF
18 ALL THE DIFFERENT RESPONSIBILITIES. AND WE EXPECT
19 THAT THAT WOULD BE A STAGED HANDOFF WITH THE FINAL
20 HANDOFF ONCE THE AGENCY FINALLY CLOSES.

21 AND SO THAT ALL NEEDS TO BE IN PLACE
22 BECAUSE THE CLOSEOUT TEAM IS COMPRISED OF A VERY
23 SMALL NUMBER OF FULL-TIME EMPLOYEES WITH SOME
24 ANTICIPATED PART TIME TO ASSIST.

25 AND THEN IN THE PHASE 2 PART, THE CLOSEOUT

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1 TEAM WOULD MANAGE THE REMAINING AWARDS, EXECUTING
2 THE OPERATIONS, PLAN AND MANAGE ALL OF THE
3 OBLIGATIONS THAT THE AGENCY WOULD STILL CONTINUE TO
4 HAVE LAID OUT IN THE OPERATIONS PLAN, AND THEN
5 FINALIZE AGENCY CLOSURE IN 2023.

6 THAT CONCLUDES MY PORTION OF THE
7 PRESENTATION. I'M HAPPY TO TAKE ANY QUESTIONS AT
8 THIS POINT.

9 CHAIRMAN JUELSGAARD: ARE THERE ANY
10 QUESTIONS? THERE ARE NO QUESTIONS, MARIA?

11 MS. BONNEVILLE: I DON'T SEE ANY HANDS,
12 BUT I DON'T KNOW IF THE BOARD HAS ANY QUESTIONS.
13 THEY HAVEN'T RAISED THEIR HAND.

14 DR. VUORI: I DON'T KNOW IF THIS IS THE
15 RIGHT TIME TO ASK. I'M SORRY. SO I HAD SOME SORT
16 OF BOTH DETAILED AND PHILOSOPHICAL QUESTIONS. FOR
17 EXAMPLE, WHAT IS THE ACTUAL LAST DATE AND DATE OF
18 CURRENTLY EXISTING GRANTS? ARE WE PLANNING TO GRANT
19 NO-COST EXTENSIONS? QUESTION FOR SICKLE CELL
20 PROGRAM. SO I HAVE A FEW OTHERS, BUT MAYBE START
21 FROM THERE.

22 DR. MILLAN: THOSE ARE THE TYPE OF
23 DISCUSSIONS WE'D LIKE TO HAVE WITH THE BOARD AT THE
24 UPCOMING ICOC MEETING WHEN WE BRING UP THE BUDGET
25 AND THE PLAN FOR OUR RESEARCH PROGRAM. SO IF THAT'S

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1 SUFFICIENT FOR NOW, WE'D LIKE TO BRING A MORE
2 COMPLETE CONSIDERATION FOR THE BOARD TO DISCUSS AT
3 THE JUNE 26TH MEETING. THANK YOU.

4 MS. BONNEVILLE: KRISTINA, IF YOU HAVE
5 SPECIFIC QUESTIONS, YOU CAN SEND THEM IN ADVANCE SO
6 THAT WAY WE KNOW TO HAVE THAT PREPARED FOR YOU.

7 DR. VUORI: OKAY. THAT SOUNDS GREAT.

8 CHAIRMAN JUELSGAARD: ANY OTHER QUESTIONS
9 FROM ANY OTHER MEMBER OF THE COMMITTEE? ALL RIGHT.
10 IF NOT, THEN I'M GOING TO TURN TO CHILA, I SEE IT'S
11 ALREADY ON THE SCREEN, TO PRESENT THE PROPOSED
12 2020/21 FISCAL YEAR BUDGET.

13 MS. SILVA-MARTIN: GOOD AFTERNOON,
14 EVERYONE, MR. CHAIRMAN, MEMBERS OF THE COMMITTEE.
15 THANK YOU FOR THE OPPORTUNITY TO PRESENT THE 20/21
16 BUDGET REQUEST.

17 SO NOW LOOKING AT SLIDE NO. 3, I JUST WANT
18 TO BRIEFLY GO OVER THE AGENDA. SO THE PRESENTATION
19 THIS AFTERNOON WILL COVER THE 19/20 FISCAL YEAR,
20 WHICH ENDS ON JUNE 30TH. WE WILL LOOK AT WHAT WAS
21 ALLOCATED TO US BY THE BOARD TO SPEND FOR THIS
22 FISCAL YEAR, WHERE WE EXPECT TO END THE FISCAL YEAR,
23 AND WHAT DROVE THOSE RESULTS. I THEN WILL REVIEW
24 OUR 20/21 REQUEST WITH YOU AS WELL AS SHARE WITH YOU
25 THE FUNDS THAT ARE AVAILABLE TO SUPPORT OUR

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1 OPERATIONS THROUGH THE 2023 FISCAL YEAR, AND THEN IN
2 YOUR PACKAGE YOU WERE ALSO PROVIDED WITH AN APPENDIX
3 THAT PROVIDES THE COST CENTER BUDGET DETAIL FOR EACH
4 OF OUR COST CENTERS.

5 SO FIRST, MOVING ON TO SLIDE NO. 5, AND
6 FIRST LOOKING AT THE 19/20 FISCAL YEAR. SO THIS
7 CHART HERE PROVIDES THIS INFORMATION ON THE 19/20
8 BUDGET AND WHERE WE EXPECT TO END THE YEAR. SO AS
9 THE FIRST COLUMN REFLECTS, FOR THE 19/20 FISCAL
10 YEAR, WE WERE PROVIDED A BUDGET ALLOTMENT OF JUST
11 OVER \$15.6 MILLION. WE EXPECT THAT WE WILL END THE
12 FISCAL YEAR, WHICH IS REFLECTED BY THE SECOND
13 COLUMN, AT 13.7, \$13.8 MILLION. AND THEN THE LAST
14 COLUMN THE VARIANCE, THE SAVINGS AND OVERRUNS, IN
15 THE BUDGET. AS YOU CAN SEE, WE EXPECT TO HAVE A
16 SAVINGS OF JUST UNDER \$2 MILLION. AS IS ALSO
17 REFLECTED IN THAT LAST COLUMN, WE HAD SAVINGS PRETTY
18 MUCH THROUGH ALL OF OUR CATEGORIES OF EXPENDITURES,
19 WITH THE LARGEST SAVINGS DOLLAR AMOUNTS BEING IN
20 THREE CATEGORIES. AND I WOULD LIKE TO TALK OVER
21 THOSE THREE AREAS BRIEFLY NOW.

22 SO LOOKING AT THE PIE CHART ON SLIDE NO.
23 6, THESE ARE THE AREAS WHERE WE SAW THE LARGEST
24 DOLLAR SAVINGS. THEY WERE IN EMPLOYEE EXPENSES AND
25 EXTERNAL SERVICES AND IN REVIEWS, MEETINGS, AND

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1 WORKSHOPS. SO NEXT I'D LIKE TO JUST GO OVER EACH
2 ONE OF THOSE AND TALK ABOUT WHY WE HAD THOSE
3 SAVINGS.

4 SO LOOKING AT EMPLOYEE EXPENSES. WHEN WE
5 SUBMITTED THE BUDGET AND IT WAS APPROVED, IT
6 INCLUDED 40 POSITIONS TO SUPPORT OUR APPROVED
7 STRATEGIC PLAN. WE ARE CURRENTLY AT 33 POSITIONS.
8 SO AS THOSE SEVEN VACANCIES OCCURRED THROUGHOUT THE
9 FISCAL YEAR, INSTEAD OF FILLING THOSE POSITIONS, WE
10 REDIRECTED THE WORKLOAD OF THOSE POSITIONS TO
11 EXISTING POSITIONS. THIS RESULTED IN SAVINGS OF
12 ALMOST A MILLION DOLLARS, BUT WHAT'S MORE IMPORTANT
13 IS THAT WE WERE ABLE TO PROVIDE OUR EXISTING STAFF
14 WITH OPPORTUNITIES TO GAIN MORE SKILLS. SO WE HAD A
15 WIN-WIN IN TWO DIFFERENT AREAS HERE.

16 NOW LOOKING AT THE NEXT CATEGORICAL AREA,
17 OUR EXTERNAL SERVICES ON SLIDE NO. 8. AS YOU KNOW,
18 WE CONTRACT -- WE HAVE SEVERAL CONTRACTS IN PLACE TO
19 SUPPORT LIKE OUR GWG REVIEWS, OUR ICOC MEETINGS,
20 LEGAL, JUST TO NAME A FEW. SO WHEN WE HOLD
21 IN-PERSON MEETINGS, WE INCUR EXPENSES FOR SUCH
22 THINGS AS AV SERVICES AND WHAT HAVE YOU. DURING THE
23 19/20 FISCAL YEAR, WE WERE FACED WITH A PANDEMIC.
24 WHEN COVID-19 HIT, WE HAD TO FIND NEW WAYS TO
25 CONTINUE OPERATIONS WITHOUT IN-PERSON MEETINGS. SO

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1 ALL OF OUR TEAMS ACROSS THE ORGANIZATION IMMEDIATELY
2 WENT TO WORK TO IMPLEMENT NEW METHODS FOR HOLDING
3 MEETINGS. NOT ONLY DID THESE METHODS PROVE TO BE
4 VERY EFFECTIVE, AS WAS LEARNED FROM HAVING ICOC
5 MEETINGS ON ZOOM AND LINK CENTRAL, THAT WE WERE ABLE
6 TO HAVE SOME COST SAVINGS AS WELL.

7 IN EXTERNAL SERVICES, AS YOU MAY BE AWARE,
8 OVER THE YEARS, THE LAST FEW YEARS, OUR LEGAL TEAM
9 HAS GOTTEN SMALLER AND SMALLER. WE'RE NOW DOWN TO
10 ONE ATTORNEY. SO TO ENSURE THAT BEN HAS THE
11 RESOURCES HE NEEDS TO FULFILL HIS LEGAL
12 RESPONSIBILITIES, THE 19/20 BUDGET DID INCLUDE SOME
13 CONTINGENT FUNDS TO SUPPORT ANY SPECIALIZED LEGAL
14 SERVICE THAT WE MIGHT NEED. MOST OF THE CONTINGENT
15 FUNDS THAT WERE BUDGETED FOR DID NOT MATERIALIZE.
16 AS A RESULT, THAT CONTRIBUTED TO THE OVERALL SAVINGS
17 IN THIS AREA AS WELL. SO WE PROBABLY SPENT ABOUT 75
18 PERCENT OF THE BUDGET, AND WE ARE PROBABLY
19 ANTICIPATING ABOUT A \$350,000 SAVINGS IN THIS AREA.

20 SO NOW LOOKING AT OUR REVIEWS, MEETINGS,
21 AND WORKSHOPS. IN THIS AREA WE ARE ANTICIPATING
22 ABOUT A 33-PERCENT SAVINGS OR ABOUT SOMEWHERE
23 BETWEEN 275,000 TO \$300,000 SAVINGS. SO WHY IS
24 THAT? SO THE 19/20 BUDGET PLANNED THAT WE WOULD
25 HOLD SOME MEETINGS IN PERSON, SOME REVIEWS,

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1 MEETINGS, WORKSHOPS, CAPS, TAPS IN PERSON, AND
2 OTHERS WOULD BE HELD TELEPHONICALLY. HOWEVER, THIS
3 WAS ANOTHER AREA THAT WAS IMPACTED BY COVID-19.
4 REVIEWS THAT NORMALLY ARE HELD IN PERSON, CAPS THAT
5 ARE NORMALLY HELD IN PERSON, COULD NO LONGER TAKE
6 PLACE BECAUSE OF THE TRAVEL RESTRICTIONS AND SOCIAL
7 DISTANCE REQUIREMENTS. BUT OUR TEAMS WERE NOT TO BE
8 DETERRED. NOT ONLY DID WE HOLD ALL OF THE SCHEDULED
9 REVIEWS, CAPS AND TAPS, BUT OUR TEAM INTRODUCED NEW
10 REVIEWS, THE COVID REVIEWS, AND THEY WERE ABLE TO DO
11 ALL OF THIS BY SAVINGS OVERALL.

12 AND WE DID BUDGET FOR SOME WORKSHOPS AND
13 MEETINGS THAT DID NOT MATERIALIZE DURING THE FISCAL
14 YEAR, AND SO THAT ALSO CONTRIBUTED TO THE SAVINGS IN
15 THIS AREA.

16 SO THAT COVERS THE MAJORITY OF THE SAVINGS
17 IN THE 19/20 FISCAL YEAR, SO I'D LIKE TO NOW MOVE ON
18 TO THE 20/21 PROPOSED BUDGET.

19 LOOKING AT SLIDE NO. 11. SO AS STEVE
20 MENTIONED EARLIER, THE BUDGET THAT I AM ABOUT TO
21 PRESENT IS DIFFERENT FROM THE BUDGETS THAT WE'VE
22 PRESENTED IN THE PAST. AS DR. MILLAN MENTIONED
23 EARLIER, WE HAVE VERY LIMITED FUNDS FOR AWARDS. SO
24 WE HAVE APPROXIMATELY \$47 MILLION LEFT TO MAKE NEW
25 AWARDS. SO FOR THE FIRST HALF OF THE 20/21 FISCAL

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1 YEAR, JULY TO DECEMBER, WE WILL CONTINUE OUR CURRENT
2 OPERATIONS. WE WILL CONTINUE TO FUND COVID-19,
3 SICKLE CELL, AND OTHER AWARDS AS APPROVED BY THE
4 BOARD. WE WILL CONTINUE TO MANAGE OUR VARIOUS
5 PORTFOLIO. SO THE BUDGET FOR THE FIRST HALF OF THE
6 FISCAL YEAR SUPPORTS THE RESOURCES WE NEED TO DO
7 THIS AND MAINTAINS OUR CURRENT STAFFING LEVEL.

8 THE SECOND HALF OF THE BUDGET ASSUMES THAT
9 WE WILL NOT HAVE ANY NEW ADDITIONAL FUNDS. GIVEN
10 THIS, WE WILL HAVE TO IMPLEMENT A WIND-DOWN. AND
11 THE WIND-DOWN WILL REALLY OCCUR IN TWO PHASES. THE
12 FIRST PHASE WILL OCCUR AT THE END OF DECEMBER. WE
13 WILL THEN BEGIN WIND-DOWN ACTIVITIES. AND THEN THE
14 SECOND PHASE WILL OCCUR IN JUNE OF 2021, AND THEN WE
15 WILL BE REDUCED TO A CLOSEOUT TEAM THAT WILL BEGIN
16 COME JULY 21ST THROUGH THE 23/24 FISCAL YEAR.

17 SO NEXT I WANT TO JUST TALK ABOUT SOME OF
18 THE WIND-DOWN COSTS THAT ARE INCLUDED IN THE BUDGET
19 REQUEST. SO ONE OF THE MAJOR WIND-DOWN COSTS THAT
20 IS INCLUDED IN THIS BUDGET IS FOR OUR LEAVE BUYOUTS.
21 WHAT IS THIS YOU MAY ASK. WELL, THE STATE OF
22 CALIFORNIA PROVIDES AN ANNUAL LEAVE PROGRAM FOR ITS
23 EMPLOYEES. SO EMPLOYEES EARN ANYWHERE BETWEEN 15 TO
24 20 HOURS A MONTH DEPENDING ON HOW MANY YEARS THEY
25 HAVE IN STATE SERVICE. AND THE PROGRAM IS REALLY

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1 MEANT TO COVER ANY TYPE OF LEAVE THAT AN EMPLOYEE
2 MAY NEED. SO THEY CAN USE THIS LEAVE FOR VACATION,
3 THEY CAN USE IT FOR SICK LEAVE, THEY CAN USE IT TO
4 CARE FOR A FAMILY MEMBER, OR IF THEY HAVE THEMSELVES
5 A CATASTROPHIC EVENT. BUT THE PROGRAM ALSO PROVIDES
6 THAT WHEN THE EMPLOYEE IS SEPARATED FROM STATE
7 SERVICE, THE STATE MUST PROVIDE A CASH PAYMENT TO
8 THE EMPLOYEE FOR ANY NEED THAT THEY MAY HAVE ON THE
9 BOOKS.

10 THE STATE DOES RECOGNIZE THIS AS A
11 CONTINGENT LIABILITY AND SO DOES CIRM EACH YEAR AS
12 WE INCLUDE IT IN OUR AUDITED FINANCIAL STATEMENTS.

13 ANOTHER AREA WHERE WE ANTICIPATE WE WILL
14 SEE SOME EXPENSES IS IN THE DISPOSING OF OUR ASSETS.
15 BECAUSE WE ARE A STATE AGENCY, WE HAVE TO FOLLOW
16 VERY SPECIFIC PROTOCOLS FOR ASSET DISPOSAL. SO IF
17 THE ASSETS ARE REUSABLE, WE MUST TURN THEM OVER TO
18 THE STATE SO THAT THEY CAN EITHER REDISTRIBUTE THEM
19 TO OTHER STATE AGENCIES OR THEY CAN SELL THEM. IN
20 MEETING THIS REQUIREMENT, THERE ARE SEVERAL STEPS
21 THAT WE MUST UNDERTAKE. SO SOME OF THE COSTS
22 ASSOCIATED WITH ASSET DISPOSAL IS THE CIRM STAFF
23 TIME THAT IS GOING TO BE NEEDED TO PROPOSE FOR THE
24 ASSET DISPOSAL.

25 SO ONE EXAMPLE IS FOR DISPOSING OF

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1 COMPUTERS AND TELEPHONES. BECAUSE OF THE SENSITIVE
2 INFORMATION THAT THESE PIECES OF EQUIPMENT MAY
3 CONTAIN, WE'RE REQUIRED TO GO THROUGH A PRETTY
4 EXTENSIVE SANITATION PROCESS FOR EACH AND EVERY
5 PIECE OF COMPUTER AND TELEPHONE EQUIPMENT. WHEN WE
6 DISPOSE OF FURNITURE, IT HAS TO BE INVENTORIED, IT
7 HAS TO BE EVALUATED TO SEE IF IT'S USABLE, AND THEN
8 WE HAVE TO PREPARE PAPERWORK FOR ALL OF THIS. THE
9 PAPERWORK THEN GETS SUBMITTED TO THE DEPARTMENT OF
10 GENERAL SERVICES. THEY TELL US WHERE THEY WANT US
11 TO SEND THE EQUIPMENT, AND THEN WE HAVE TO MAKE
12 ARRANGEMENTS TO DELIVER THAT EQUIPMENT, AND WE HAVE
13 TO HIRE MOVERS, AND THAT, OF COURSE, IS AT OUR
14 EXPENSE. SO THERE IS MONEY IN THE BUDGET FOR THOSE
15 TYPES OF THINGS AS WELL.

16 AND THEN FINALLY, EARLIER DR. MILLAN
17 COVERED THE VARIOUS WIND-DOWN ACTIVITIES THAT SOME
18 OF OUR TEAM MEMBERS WILL UNDERTAKE DURING THE SECOND
19 HALF OF THE FISCAL YEAR. SO THIS IS GOING TO
20 REQUIRE THAT WE RETAIN A SMALL GROUP OF STAFF
21 BETWEEN JANUARY AND JUNE TO PERFORM THESE TASKS. SO
22 THE SALARIES AND BENEFITS FOR THESE POSITIONS ARE
23 PART OF THE WIND-DOWN COSTS.

24 SO NOW LOOKING AT THE DOLLARS AND THE
25 BUDGET REQUEST ON SLIDE NO. 13. SO THIS CHART

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1 BREAKS UP THE BUDGET INTO TWO HALVES. AS I
2 MENTIONED EARLIER, THE FIRST HALF OF THE YEAR, JULY
3 THROUGH DECEMBER, WE WILL CONTINUE BUSINESS AS WE
4 HAVE NOW WITH THE CURRENT STAFFING LEVEL. AND THAT
5 REQUEST IS FOR JUST UNDER \$7.2 MILLION. IN DECEMBER
6 WE WILL IMPLEMENT THE FIRST LEVEL WIND-DOWN, AND WE
7 WILL HAVE A REDUCTION. AND THEN IN JANUARY WE WILL
8 START WIND-DOWN ACTIVITIES AND PORTFOLIO MANAGEMENT
9 AS WE ARE NOW, AND THAT REQUEST IS FOR \$5.2 MILLION.
10 SO THE TOTAL REQUEST, AS REFLECTED IN THE LAST
11 COLUMN, IS FOR JUST OVER \$12.3 MILLION.

12 SO I DO WANT TO POINT OUT ONE THING. I
13 TALKED JUST BRIEFLY EARLIER ABOUT THOSE WIND-DOWN
14 COSTS. I HAVE SEPARATED THEM IN THIS CHART. IF YOU
15 WILL LOOK AT ROW 2, YOU CAN SEE THAT I'VE INCLUDED
16 THE LEAVE BUYOUTS. IT'S SPLIT OUT BY TWO YEARS
17 BECAUSE THE WIND-DOWN IS GOING TO HAPPEN IN TWO
18 PHASES. AND SO THOSE COSTS ASSOCIATED WITH THE
19 PAY-OUT IN DECEMBER ARE INCLUDED IN THE FIRST HALF,
20 AND THE COSTS FOR THE SECOND HALF ARE INCLUDED --
21 THAT WILL OCCUR IN JUNE ARE INCLUDED IN THE SECOND
22 HALF OF THE REQUEST.

23 SO LOOKING AT THE BUDGET IN COMPARISON TO
24 WHERE WE EXPECT TO END THE 19/20 FISCAL YEAR. SO
25 THIS CHART SHOWS THAT WE THINK WE'RE GOING TO END

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1 THE FISCAL YEAR, AS IS REFLECTED IN THE FIRST
2 COLUMN, AT ABOUT 13.7, \$13.8 MILLION. AND OUR
3 BUDGET REQUEST IS JUST OVER \$12.3 MILLION. SO HOW
4 DOES THAT COMPARE YEAR TO YEAR?

5 SO MOVING ON TO THE NEXT CHART, PAGE 15,
6 SO FOR CURRENT YEAR WE HAD AUTHORIZED \$15.6 MILLION.
7 WE THINK WE'RE GOING TO SPEND SOMEWHERE 13.7, \$13.8,
8 JUST UNDER \$2 MILLION OF THE SAVINGS WE WILL HAVE.

9 LOOKING AT THE 20/21 FISCAL YEAR. SO THE
10 20/21 BUDGET REQUEST REQUESTS \$11.1 MILLION FOR
11 OPERATION EXPENSES PLUS THAT \$1.2 MILLION FOR THAT
12 ONE-TIME LEAVE BUYOUT, SO MAKING IT A TOTAL OF \$12.3
13 MILLION. SO THE YEAR-END FORECAST FOR 19/20 IS
14 ABOUT 13.7, \$13.8 MILLION. SO THAT'S ABOUT -- THE
15 BUDGET REQUEST IS ABOUT \$1.4 MILLION LOWER THAN
16 WHERE WE EXPECT TO END THE FISCAL YEAR EVEN WITH THE
17 ONE-TIME COST.

18 SO NOW I WANTED TO BRIEFLY TALK ABOUT SOME
19 OF THE DRIVERS OF THE 20/21 BUDGET REQUEST. AS I
20 MENTIONED EARLIER, A LOT OF THE BUDGET DOES SUPPORT
21 THE MYRIAD OF WIND-DOWN ACTIVITIES THAT WILL OCCUR
22 DURING THE JANUARY THROUGH JUNE PHASE. AND THAT
23 WILL ENABLE US TO PUT THINGS IN PLACE SO THAT WE CAN
24 MANAGE OUR AWARDS THROUGH THE 23/24 FISCAL YEAR. WE
25 WILL EXPERIENCE A SLIGHT INCREASE IN FACILITIES COST

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1 IN THE 20/21 FISCAL YEAR, AND THAT IS DUE IN PART
2 BECAUSE OF THE INCREASES CONTAINED IN THE LEASE THAT
3 WE SIGNED BACK IN 2015. WE HAVE ANNUAL INCREASES
4 EVERY YEAR.

5 AND WE DO HAVE SOME CONTINGENCIES IN THE
6 20/21 FISCAL YEAR JUST LIKE WE DID IN 19/20. AS I
7 MENTIONED EARLIER, WE DO INCLUDE CONTINGENT FUNDS
8 FOR OUR LEGAL SHOP BECAUSE WE'VE ELIMINATED
9 POSITIONS AND SOMETIMES THERE IS A NEED FOR
10 SPECIALIZED SERVICES THAT WE MAY NOT HAVE IN-HOUSE.
11 AND SO HAVING THE CONTINGENCY FUNDS ALLOWS US TO BE
12 ABLE TO PROCURE THOSE SERVICES SHOULD WE NEED THEM.

13 WE ALSO DON'T KNOW WHETHER WE'LL HAVE MORE
14 RECOVERED FUNDS. AND IF WE DO, WE'VE INCLUDED A
15 SMALL AMOUNT FOR REVIEWS SHOULD WE NEED TO HOLD
16 REVIEW MEETINGS TO DISBURSE MORE RECOVERED FUNDS.
17 BUT IF RECOVERED FUNDS MATERIALIZE BEYOND THOSE THAT
18 WE'VE IDENTIFIED TODAY, THEN, OF COURSE, WE WON'T
19 HOLD THE REVIEWS, AND THOSE FUNDS WILL NOT BE USED.

20 NEXT I JUST WANT TO TALK ABOUT, DR. MILLAN
21 DID TALK ABOUT THIS IN HER PRESENTATION AS WELL, THE
22 FUNDS THAT WE HAVE AVAILABLE FOR OPERATIONS. MY
23 NUMBERS ARE DIFFERENT BECAUSE I STARTED WITH JULY
24 2019 AND HERS WERE AT THE END OF THIS FISCAL YEAR.
25 SO ON JULY 1ST, WE HAD \$42.7 MILLION. WE EXPECT TO

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1 END THE 19/20 FISCAL YEAR AT ABOUT 13.7, 13.8. THE
2 BUDGET REQUEST IS \$12.3 MILLION FOR THE 20/21 FISCAL
3 YEAR. AND THEN FROM 21 THROUGH -- 21/22 FISCAL YEAR
4 THROUGH THE 23/24 FISCAL YEAR, WE ESTIMATE THAT WE
5 WILL NEED ABOUT 16.5, \$16.6 MILLION. AS YOU CAN
6 SEE, WITH THE FUNDS THAT WE HAVE AVAILABLE, THAT
7 WILL BE SUFFICIENT TO COVER OUR EXPENSES THROUGH
8 THAT TIMELINE.

9 SO THIS REALLY CONCLUDES THE BUDGET
10 PRESENTATION. AS I MENTIONED EARLIER, WE DID
11 PROVIDE WITH YOU AN APPENDIX FOR YOUR REVIEW THAT
12 INCLUDES THE DETAILS FOR EACH OF THE COST CENTERS.
13 WE REQUEST YOUR APPROVAL OF OUR 20/21 PROPOSED
14 BUDGET. I'M HAPPY TO ANSWER ANY QUESTIONS, AND I
15 THANK YOU FOR THE OPPORTUNITY TO PRESENT THE BUDGET
16 REQUEST.

17 CHAIRMAN JUELSGAARD: THANK YOU VERY MUCH,
18 CHILA. EXCELLENT PRESENTATION.

19 IS THERE A MOTION TO APPROVE THE
20 PROPOSED -- TO RECOMMEND TO THE BOARD THE PROPOSED
21 BUDGET THAT CHILA JUST PRESENTED?

22 MR. SHEEHY: SO MOVED.

23 CHAIRMAN JUELSGAARD: THANK YOU, JEFF.
24 AND IS THERE A SECOND TO THAT MOTION?

25 DR. VUORI: SECOND.

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1 CHAIRMAN JUELSGAARD: THANK YOU, KRISTINA.
2 IT'S BEEN MOVED AND SECONDED THAT WE
3 APPROVE THE BUDGET AS PRESENTED BY CHILA. ARE THERE
4 ANY QUESTIONS OR COMMENTS ABOUT THE BUDGET AS
5 PRESENTED? MARIA, IS ANYBODY RAISING THEIR HAND
6 THAT YOU CAN SEE?

7 MS. BONNEVILLE: NO. NO BOARD MEMBERS ARE
8 RAISING THEIR HANDS, NO.

9 CHAIRMAN JUELSGAARD: IS THERE ANY PUBLIC
10 COMMENT WITH REGARD TO THE BUDGET THAT HAS BEEN
11 MOVED AND SECONDED?

12 MS. BONNEVILLE: IF THERE ARE PEOPLE WHO
13 WOULD LIKE TO MAKE PUBLIC COMMENT, THEY SHOULD DIAL
14 STAR NINE AND RAISE THEIR HAND SO WE CAN CALL ON
15 THEM.

16 CHAIRMAN JUELSGAARD: THANK YOU.

17 MS. BONNEVILLE: LET'S JUST GIVE IT A
18 MOMENT. I SEE A PUBLIC COMMENT FROM (805) 284-8700.

19 CHAIRMAN JUELSGAARD: ALL RIGHT. YOU HAVE
20 THREE MINUTES PLEASE. GO AHEAD. WHAT'S YOUR
21 COMMENT?

22 MR. JENSEN: CAN YOU HEAR ME? THIS IS
23 DAVE JENSEN WITH THE CALIFORNIA STEM CELL REPORT.
24 AND I'D LIKE TO COMMENT A LITTLE BIT ON THE
25 WIND-DOWN PLAN APROPOS OF WHAT MARIA MILLAN LAID

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1 OUT. AND ONE OF THE FINE ACCOMPLISHMENTS OF THE
2 CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE HAS
3 BEEN THE OPENNESS AND ACCESSIBILITY TO ITS VAST
4 ARRAY OF INFORMATION LARGELY THROUGH ITS WEBSITE,
5 BUT ALSO VIA OTHER MEANS SUCH AS FACEBOOK AND OTHER
6 RESOURCES.

7 WHETHER THE INITIATIVE TO REFINANCE CIRM
8 WINS APPROVAL OR NOT, CIRM HAS HAD A SIGNIFICANT
9 IMPACT ON THE FIELD. ITS HISTORY SHOULD NOT BE LOST
10 AS CAN EASILY HAPPEN TO STATE AGENCIES THAT JUST
11 FADE AWAY. THAT BRINGS ME TO THE WIND-DOWN PLAN
12 PRESENTED TO YOU TODAY.

13 THE BRIEF OUTLINE ON THE AGENDA DOES NOT
14 CONTAIN AN ELEMENT TO ENSURE THAT THE COMPLETE
15 HISTORY OF CIRM WILL BE PRESERVED. SUCH A
16 COMPONENT, HOWEVER, MAY WELL ALREADY BE PART OF THE
17 WIND-DOWN TIMETABLE. IF NOT, IT SHOULD BE. CIRM'S
18 HISTORY HAS SIGNIFICANT VALUE.

19 CHAIRMAN JUELSGAARD: MARIA, DAVID'S GOT
20 THE FLOOR.

21 MS. BONNEVILLE: THERE'S SOMETHING GOING
22 ON IN THE BACKGROUND. THAT'S FROM EARLIER TODAY.

23 CHAIRMAN JUELSGAARD: CAN WE GET THAT TO
24 STOP PLEASE? I'M SORRY ABOUT THIS. OBVIOUSLY
25 TECHNICAL DIFFICULTIES.

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1 YOU HAVE SOMETHING VERY INTERESTING TO
2 SAY, AND I APOLOGIZE THAT UNFORTUNATELY YOU'VE BEEN
3 INTERRUPTED. SO PLEASE CONTINUE AND HOPEFULLY YOU
4 WON'T BE INTERRUPTED AGAIN.

5 MR. JENSEN: ALL RIGHT. THANK YOU VERY
6 MUCH. AS I WAS SAYING, THAT ABOUT THE COMPONENT FOR
7 SORT OF PRESERVING THE HISTORY IS AN IMPORTANT
8 ELEMENT, I THINK, OF THE WIND-DOWN. AS I CONTINUE
9 HERE, CIRM'S HISTORY HAS A SIGNIFICANT VALUE FOR
10 HISTORIANS, POLICYMAKERS, AND THOSE WHO STUDY
11 GOVERNMENT AND SCIENTIFIC RESEARCH. CIRM IS UNIQUE
12 IN CALIFORNIA HISTORY. NATIONALLY, NO OTHER STATE
13 HAS FUNDED SCIENTIFIC RESEARCH AT THE LEVEL THAT
14 CALIFORNIA HAS. IT HAS DONE THIS UNIQUELY USING
15 STATE BONDS IN A DIRECT DEMOCRACY TOOL CALLED THE
16 INITIATIVE.

17 PATIENT ADVOCATES HAVE GAINED A STRONGER
18 VOICE AT CIRM. EVEN TODAY DURING THE COVID-19
19 AWARDS MEETING, ONE COULD SEE THEIR INFLUENCE IN THE
20 DISCUSSION OF HOW TO BETTER SERVE THE UNDERSERVED
21 COMMUNITIES.

22 WE SHOULD NOT FORGET THAT THE AGENCY ALSO
23 LED THE WAY NATIONALLY WHEN THEY CREATED STANDARDS
24 FOR HUMAN EMBRYONIC STEM CELL RESEARCH DURING CIRM'S
25 EARLIEST DAYS. PRESERVING THE CIRM STORY DIGITALLY

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1 IN A READABLE AND ACCESSIBLE FORMAT SHOULD NOT BE
2 ALL THAT COSTLY, AND IT WOULD BE A SIGNIFICANT
3 CONTRIBUTION TO HELPING THOSE WHO COME AFTER US
4 LEARN ABOUT HOW THIS \$3 BILLION EFFORT CAME ABOUT
5 AND NAVIGATED WITH CONSIDERABLE SUCCESS THROUGH THE
6 EARLY DAYS OF WHAT SOME MAY ULTIMATELY CALL THE STEM
7 CELL REVOLUTION.

8 IT WOULD BE A SAD DAY IF THE COMPLETE
9 RECORD OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE
10 MEDICINE IS NOT PRESERVED FOR POSTERITY. THANK YOU
11 FOR YOUR CONSIDERATION.

12 CHAIRMAN JUELSGAARD: THANK YOU, DAVID.
13 AS I SAID, I THINK THAT WAS A VERY INTERESTING
14 RECOMMENDATION YOU HAVE. LET ME JUST ASK YOU, SINCE
15 I HAVE THE FLOOR FOR A MOMENT, HOW WOULD YOU PROCEED
16 TO DO THIS, AND WHAT KIND OF FORMAT AND BY WHOM?
17 JUST ANY SUGGESTIONS YOU MIGHT HAVE.

18 MR. JENSEN: WELL, THERE'S MANY WAYS OF
19 ARCHIVING MATERIAL, AND THERE ARE PEOPLE THAT DO
20 THIS WITH SOME REGULARITY.

21 SIMPLY DOWNLOADING THE COMPLETE WEBSITE
22 WOULD BE A START. ALL THAT INFORMATION IS PUBLIC
23 ALREADY. THERE'S MATERIAL ON FACEBOOK. I WAS JUST
24 LOOKING AT ALL OF THE INCREDIBLE MATERIAL THAT HAS
25 BEEN PUT UP ON THE FACEBOOK SITE THAT SHOULD BE

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1 PRESERVED, VIDEOS THAT REALLY GIVE A HUMAN TOUCH TO
2 ALL OF THE MUCH DRYER MATERIAL. AND SOME OF THAT
3 CAN BE JUST BACKED UP BY CONVENTIONAL MEANS, LOADING
4 IT INTO A HARD DRIVE, BUT IT HAS TO BE IN A FORMAT
5 THAT'S ACCESSIBLE TO ALL PEOPLE AND MAY TAKE A
6 LITTLE BIT OF CONVERSION. IT WOULD NEED SOME
7 LOOKING INTO WITH PERHAPS SOMEBODY AT THE STATE
8 LIBRARY WHO IS FAMILIAR WITH ARCHIVING DOCUMENTS SO
9 THAT THEY'RE EASILY ACCESSIBLE.

10 CHAIRMAN JUELSGAARD: THANK YOU. I
11 APPRECIATE THOSE SUGGESTIONS. SO I THINK THAT IS
12 SOMETHING WE SHOULD DEFINITELY LOOK INTO. I'M NOT
13 SURE AT THIS POINT WE NEED TO TAKE UP COMMITTEE TIME
14 TO DO THAT. BUT PERHAPS --

15 DR. STEWARD: I REALLY JUST WANTED TO JUMP
16 IN JUST FOR A SECOND. I DO WANT TO TAKE UP
17 COMMITTEE TIME BY JUST SAYING, MR. JENSEN, I THINK
18 THAT'S A FANTASTIC IDEA. I HOPE THAT YOU HAVE IT
19 WRITTEN DOWN AND WILL FORWARD THAT FOR BOARD
20 CONSIDERATION.

21 EVERYTHING THAT YOU SAID, I THINK, IS
22 ABSOLUTELY SPOT ON AND SOMETHING THAT IS IMPORTANT
23 TO PRESERVE, BOTH THE ACCOMPLISHMENTS OF CIRM, BUT
24 ALSO, AS YOU SAID, THE TOTALLY UNIQUE FEATURES OF
25 THIS THING IN TERMS OF ITS GENESIS AND ORGANIZATION

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1 AND REALLY EVERYTHING. SO THANK YOU FOR BRINGING IT
2 UP. GREAT IDEA.

3 CHAIRMAN JUELSGAARD: YES. I WOULD ECHO
4 THAT, OS.

5 SO MY THOUGHT WAS TO ASK MANAGEMENT TO
6 MAYBE COME FORWARD TO THE BOARD SOMETIME IN THE VERY
7 NEAR FUTURE, MAYBE AT THE MEETING AT THE END OF THIS
8 MONTH, JUST WITH THEIR SUGGESTIONS OR PROPOSAL, IN
9 ESSENCE, FOR CAPTURING THE HISTORY OF CIRM AND ITS
10 IMPLICATIONS FOR CALIFORNIA AND THE GREATER SOCIETY
11 SO THAT CAN BE PRESERVED. SO I WOULD ASK MAYBE
12 MARIA MILLAN IF SOMEBODY COULD BE GIVEN THAT AS A
13 RESPONSIBILITY TO FOLLOW UP ON.

14 DR. MILLAN: THANK YOU SO MUCH AND THANK
15 YOU FOR THOSE COMMENTS. IN SHORTHAND THERE WAS AN
16 ITEM IN THERE IN WIND-DOWN COSTS THAT TALKS ABOUT
17 PUBLIC CHANNELS FOR COMMUNICATING SCIENTIFIC AND
18 CLINICAL, AND THAT WAS JUST SHORTHAND FOR ARE WE
19 GOING TO PRESERVE THIS AND MAINTAIN THAT IMPORTANT,
20 NOT JUST HISTORY, BUT ACCESS OF THE PUBLIC TO
21 CONTINUED RESEARCH AND ALL OF THE PROGRAMS THAT WAS
22 MADE POSSIBLE WITH DIRECT FUNDING. SO WE'LL COME UP
23 WITH THAT. THAT'S PART OF KIND OF THE LIST OF
24 DIFFERENT CLOSEOUT PROGRAMS, BUT WE CAN REPORT BACK
25 IN TERMS OF THE GENERAL IDEA BEHIND THAT IN THAT

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1 AREA. THANK YOU.

2 MS. BONNEVILLE: STEVE, JEFF HAS COMMENTS.

3 MR. SHEEHY: ACTUALLY THIS IS VERY SIMPLE.

4 THANKS, DAVE, FOR RAISING THIS. MATERIALS FROM MY
5 ACTIVIST STAGE ARE ARCHIVED AT BANCROFT AT BERKELEY.
6 SO THIS IS VERY SIMPLE. WE JUST NEED TO CONTACT THE
7 VARIOUS UNIVERSITY LIBRARIES AND PERHAPS SELECT ONE.
8 I THINK IT SHOULD PROBABLY BE A UC, FRANKLY, SO IT'S
9 CLEAR IT'S A PUBLIC RESOURCE.

10 WHEN I WAS ARCHIVED, THEY DID IT
11 ACTUALLY -- THERE WERE LGBT STUDENTS WHO WERE
12 INTERESTED, AND THEY WERE THE ONES WHO DID IT AS A
13 PROJECT. ARCHIVING IS WHAT THEY DO; AND EVEN IF WE
14 HAVE TO PROVIDE SOME MONEY TO DO SO, I THINK IT'S AN
15 OUTSTANDING IDEA. AND REALLY BEING IN A LIBRARY IN
16 A UNIVERSITY LIBRARY ARCHIVE WILL MEAN THAT ALL THE
17 DATA IS COLLECTED, IT'S ALL IN AN ORGANIZED FORMAT,
18 AND SCHOLARS WILL BE ABLE TO MAKE USE OF IT FOR
19 DECADES TO COME.

20 CHAIRMAN JUELSGAARD: THANK YOU FOR THAT.
21 IS THERE ANY OTHER PUBLIC COMMENT DIRECTLY ON THE
22 MOTION TO APPROVE THE BUDGET?

23 MR. TORRES: YES. CAN YOU HEAR ME?

24 CHAIRMAN JUELSGAARD: YES, I CAN. WHO'S
25 THE PUBLIC COMMENT FROM?

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1 MR. TORRES: IT'S ART TORRES. IT WAS HARD
2 FOR ME TO GET RECOGNIZED EARLIER.

3 CHAIRMAN JUELSGAARD: I ASKED MARIA FOR
4 HANDS. SHE SAID THERE WEREN'T ANY.

5 MR. TORRES: I'M OPERATING FROM A CELL
6 PHONE BECAUSE I COULDN'T GET ACCESS TO A LAPTOP.

7 CHAIRMAN TORRES: ALL RIGHT. GO AHEAD,
8 ART.

9 MR. TORRES: FIRST OF ALL, I WANT TO THANK
10 DAVID FOR AN EXCELLENT SUGGESTION. MANY OF THE
11 STATE ARCHIVES HAVE INCLUDED MEMBERS OF THE
12 LEGISLATURE THAT THEY'VE CHOSEN TO ARCHIVE. I WAS
13 ONE OF THEM. AND IT WAS A GREAT INTERVIEW OF THREE
14 TO FIVE DAYS WHICH MADE YOU REMEMBER ALL THE PAST.
15 I DON'T RECALL THAT WE'VE EVER ARCHIVED AN AGENCY OR
16 AN INSTITUTION, BUT THIS CERTAINLY MERITS AN
17 OPPORTUNITY TO REVIEW IT, AND I WOULD LIKE TO BE
18 PART OF ANY EFFORT TO DO SO. IN FACT, WHEN I ASSUME
19 MY ROLE AS A REGENT ON JULY 1ST, IT'S A PERFECT
20 OPPORTUNITY TO START DISCUSSIONS WITH THE UNIVERSITY
21 OF CALIFORNIA ARCHIVE SYSTEM TO SEE HOW PERHAPS THEY
22 MIGHT BE INTERESTED IN PUTTING THIS KIND OF ARCHIVE
23 TOGETHER. SO I WOULD LOVE TO FOLLOW THAT UP WITH
24 MARIA.

25 CHAIRMAN JUELSGAARD: THANK YOU, ART.

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1 I'D LIKE TO, HOWEVER, TURN NOW DIRECTLY TO
2 THE MOTION THAT'S ON THE TABLE, WHICH IS TO APPROVE
3 THE PROPOSED BUDGET FOR THE COMING FISCAL YEAR. SO
4 IS THERE ANY PUBLIC COMMENT REGARDING THAT OR ANY
5 BOARD COMMENT THAT I'VE MISSED REGARDING THAT
6 MOTION? HEARING NONE, SEEING NONE, MARIA, WOULD YOU
7 CALL THE ROLL.

8 MS. BONNEVILLE: STEVE JUELSGAARD.

9 CHAIRMAN JUELSGAARD: YES.

10 MS. BONNEVILLE: JEFF SHEEHY.

11 MR. SHEEHY: YES.

12 MS. BONNEVILLE: OS STEWARD.

13 DR. STEWARD: YES.

14 MS. BONNEVILLE: JONATHAN THOMAS.

15 CHAIRMAN THOMAS: YES.

16 MS. BONNEVILLE: ART TORRES.

17 MR. TORRES: AYE.

18 MS. BONNEVILLE: KRISTINA VUORI.

19 DR. VUORI: YES.

20 MS. BONNEVILLE: MOTION CARRIES.

21 CHAIRMAN JUELSGAARD: THANK YOU, MARIA.

22 ALL RIGHT. SO WITH THAT, THEN, IS THERE
23 ANY OTHER TOPIC THAT ANY MEMBER OF THE BOARD WOULD
24 LIKE TO BRING BEFORE THE FINANCE SUBCOMMITTEE?
25 HEARING NONE, SEEING NONE, IS THERE ANY TOPIC THAT

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1 ANY MEMBER OF THE PUBLIC WOULD LIKE TO PRESENT TO
2 THE FINANCE SUBCOMMITTEE? HEARING NONE, SEEING
3 NONE, THEN IS THERE A MOTION THAT THE MEETING BE
4 ADJOURNED?

5 DR. VUORI: SO MOVED.

6 CHAIRMAN JUELSGAARD: SECOND? SECOND.

7 CHAIRMAN JUELSGAARD: SECONDED. ALL IN
8 FAVOR TURN OFF YOUR SCREENS. I ASSUME EVERYBODY IS
9 IN FAVOR. THANK YOU VERY MUCH. SEE YOU AT THE END
10 OF THE MONTH.

11 (THE MEETING WAS THEN CONCLUDED AT 1:54 P.M.)

12
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25

REPORTER'S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE PROCEEDINGS VIA ZOOM BEFORE THE FINANCE SUBCOMMITTEE OF THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD ON JUNE 12, 2020, WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

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